

Equipment-Facilities

Subject: Procurement Change from the State of Michigan Extended Purchase Program to Local Vehicle Purchase

Information:

After the annual application, vehicle verification processes, and execution of the contract or project authorization, a transit agency may elect to change from using the State of Michigan Extended Purchase Program to a local vehicle purchase process.

The transit agency will be responsible for paying any additional cost for the vehicle that is in excess of the eligible costs in the contract between the transit agency and the Michigan Department of Transportation (MDOT).

The transit agency is not entitled to excess funds in the contract when the cost of the vehicle is less than the contract amount.

Actions Needed:

1. The transit agency must request approval from their Passenger Transportation Division (PTD) Project Manager. This request should contain the following information:
 - a. The type of vehicle(s) including size and options;
 - b. The state/local contract number and estimated price; and,
 - c. If a procurement agent, other than the requesting transit agency purchasing the vehicle(s) is used, the procurement agent's name, address, and telephone number must be provided.
2. The PTD Project Manager will provide the transit agency with an authorization letter to proceed with the vehicle purchase and the current "Guidelines for Local Vehicle Purchase for State Administered Grants."
3. Once the transit agency receives the authorization they can proceed with the procurement following these local purchase guidelines.

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Contact: If you have any questions on this procedure, feel free to contact your PTD
Project Manager.

Approved:	Signed By: Kip Grimes	10/16/2002
	_____	_____
	Division Administrator	Date